

TEACHERS' RETIREMENT BOARD
BENEFITS AND SERVICES COMMITTEE

SUBJECT: LEVEL OF SERVICE STANDARDS

ITEM NUMBER: 6

ATTACHMENT(S): 0

ACTION: _____

DATE OF MEETING: July 9, 1998

INFORMATION: X

PRESENTERS(S): Mr. Carter

EXECUTIVE SUMMARY

Background

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the administration of the delivery of benefits and services to STRS members. Accordingly, this report covers the degree to which statutory work standards and requirements (i.e., interest payments) are being met, and contains program production objectives, measures and “major initiative” updates. Program specifics are available in the individual reports. Following are the highlights of activity for the month of May 1998.

Highlights

1. Fiscal Year Allowance Roll

STRS paid a total of 154,317 benefit recipients \$239,944,984 in May 1998. The average monthly Allowance Roll for FY 1997/98 is \$238,380,797. Total disbursements for FY 1997/98 to date are \$2,622,188,760.

2. Processing

- A. Application Volume: The overall volume of incoming applications and notifications received during this fiscal year are relatively the same as this time last fiscal year.
- B. Initial Payment Processing (Goal – 100 percent): Service Retirement met their goal of processing 100 percent of their initial payments within 30 days. Disability met their goal of processing 100 percent of their initial payments within 10 days.

- C. Final Roll Processing: Service Retirements completed 98 percent of all final payments within 45 days of receipt of all necessary information, almost achieving their 100 percent goal. They also finalized 91 percent of all service retirement payments within four months of the retirement effective date, surpassing their goal of 90 percent.
- D. Application Processing: Survivor Benefits processed 98 percent of all applications within 45 days of receipt of all necessary information, surpassing the program's established 95 percent goal. Disability Services processed 99 percent of all eligible applications within 180 days of receipt of the application, almost achieving their 100 percent goal.

3. Services

During the month of May, two of the three service objectives were met. The newly established PSO service objective to handle 95 percent of all calls within three minutes was missed by three percent. Staff answered 93 percent of correspondence within ten days surpassing the newly established 90 percent goal. The service goal to answer 95 percent of all technician-assisted calls on first contact was surpassed by two percent, reaching 97 percent. Queue time has been dropped to an average of 27 seconds. The longest wait-in-queue was 13 minutes.

4. Interest Payments

The total interest payment volume for May 1998 decreased 34 per cent as compared to May of the previous FY. The dollar amount of interest issued to payees decreased 32 percent.

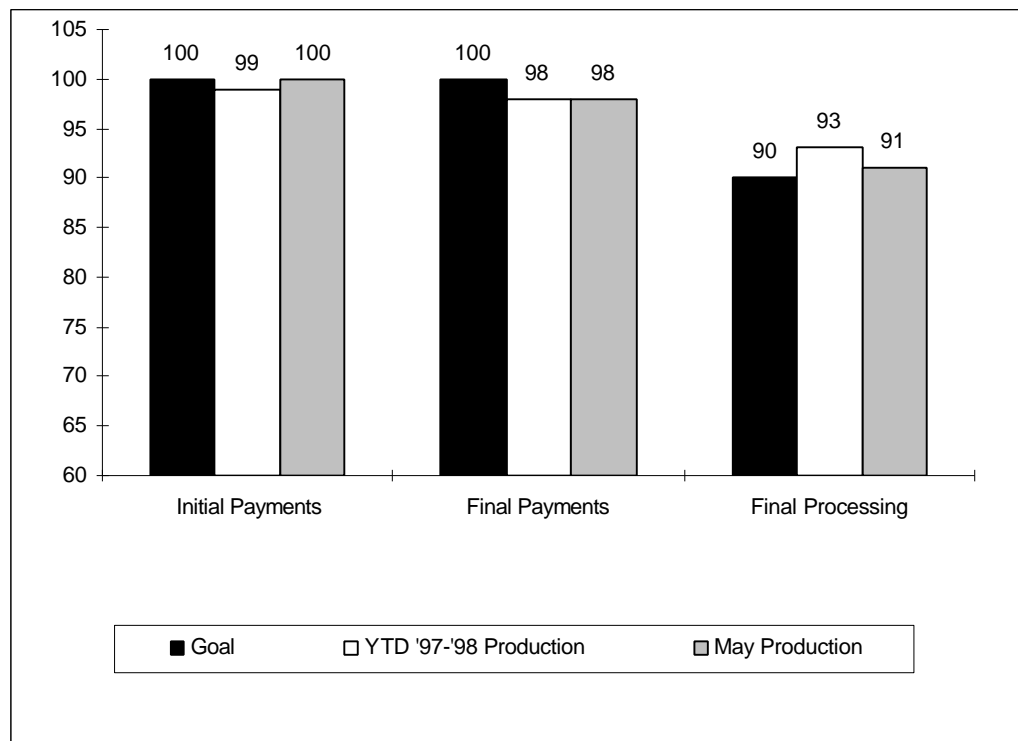
5. Outstanding Survivor Benefit Cases

The Education Code requires a report to the Board on outstanding survivor benefit cases not paid within six months of the notification of death. As of May 1998, there were 112 cases exceeding this threshold. In April 1998, there were 104 cases beyond the six-month processing period, while in March 1998, there were 89 cases exceeding the six-month threshold.

SERVICE RETIREMENTS

I. 1997-98 Production Objectives

- A. **Initial Payments:** Process 100 percent of all service retirement application payments within 30 days of the effective date of retirement or receipt of completed application, whichever is later.
- B. **Final Payments:** Complete 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.
- C. **Finalize** 90 percent of all service retirement payments within four months of the retirement effective date.



II. Measures

Type	(1) Bench - Mark 90/91	(2) July - May 96/97	(3) July - May 97/98	% of Change <u>(3) - (2)</u> (2)	May 1998
Retirement Applications	8,167	5,100	6,129	20%	1,262
Applications /Months	681	464	557	20%	-----
Interest Payments (#)	1,070	255	251	-2%	16
Interest Payments (\$\$\$)	\$9,779	\$2,273	\$1,742	-23%	\$786
Golden Handshake Districts	529	160	182	14%	9
Golden Handshake Participants	646	218	250 ¹	23%	12

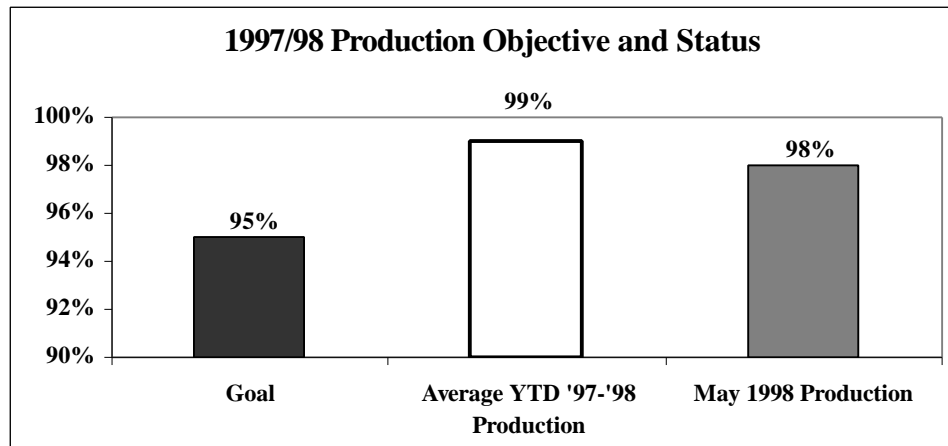
III. Major Initiatives**Retirement Incentives**

- A. One-year Final Compensation:** Since 1990, thirty-three school districts, including five Community College districts, have offered the incentive of one-year final compensation to 308 retired members. During the current fiscal year, four school districts have chosen to participate in this program.

¹ The method of collection for tracking the number of Golden Handshake Districts and participants has been modified to reflect the FY of the retiree's effective date rather than the receipt date of the Golden handshake documentation.

SURVIVOR BENEFITS

- I. 1997-98 Production Objective:** Process 95 percent of all applications within 45 days of receipt of all necessary information.



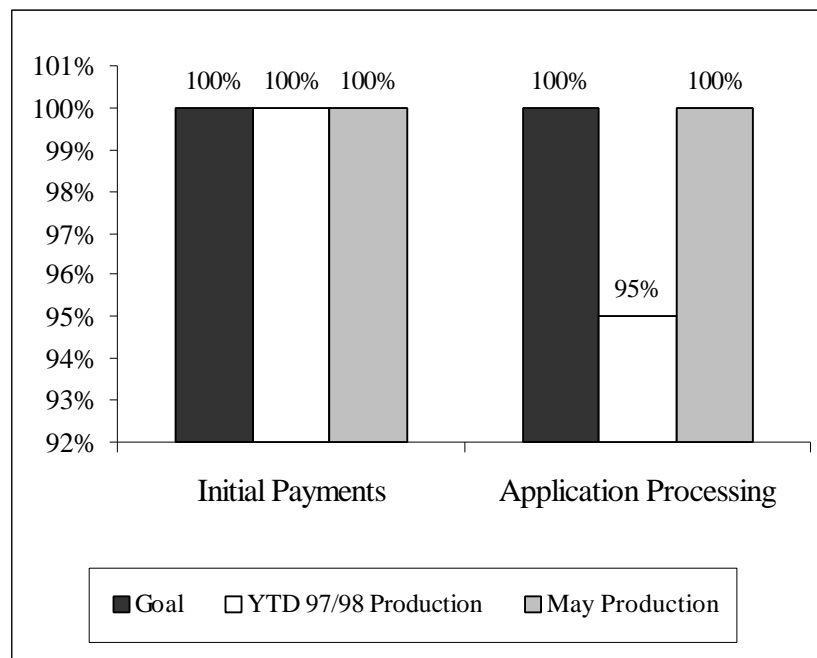
II. Measures

Type	(1) Bench- Mark 90/91	(2) July- May 96/97	(3) July - May 97/98	% of Change (3) - (2) (2)	May 1998
Death Notifications	3,948	4,943	4,444	-10%	454
Cases Completed	3,627	5,430	4,871	-10%	462
Average Cases Completed Per Month	302	494	443	-10%	443
Interest Payments (#)	2,360	408	194	-52%	37
Interest Payments (\$)	\$78,252	\$33,191	\$22,158	-33%	\$4,067

DISABILITY SERVICES

I. 1997-98 Production Objectives

- A. **Disability Application Processing:** Process 100 percent of all disability applications within 180 days of receipt.
- B. **Initial Disability Payments:** Process 100 percent of all initial payments within ten working days of receipt of all necessary information.



II. Measures

Type	(1) Bench- Mark 90/91	(2) July - May 96/97	(3) July - May 97/98	% of Change (3) - (2) (2)	May 1998
Disability Applications	500	521	511	-2%	57
Disability Apps/Months	41.6	47	45	-4%	N/A
Continuing Qualifications (1) Roll Removals	24	52	38	-27%	4
Rehabilitation Roll Removals (2)	16	25	26	4%	1
Active Rehabilitation Participants	119	124	N/A	N/A	136
Independent Medical Exams (#)	632	380	298	-22%	7
Independent Medical Exams (\$)	\$443,020	\$230,756	\$174,973	-24%	\$9,103
Independent Vocational Exams (# Active)	N/A	1296	1038	-20%	57
Independent Vocational Exams (\$)	\$405,596	\$521,919	\$368,906	-29%	\$0
Interest Penalty Payments (#)	6	0	7	0%	1
Interest Penalty Payments (\$)	\$1,405	\$0	\$310	0%	\$107

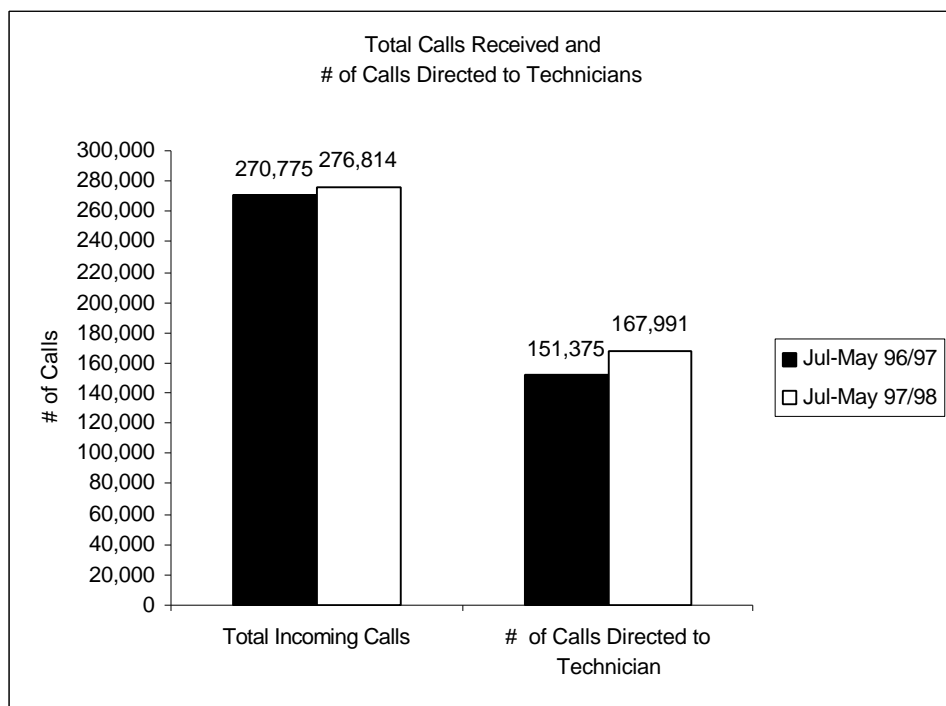
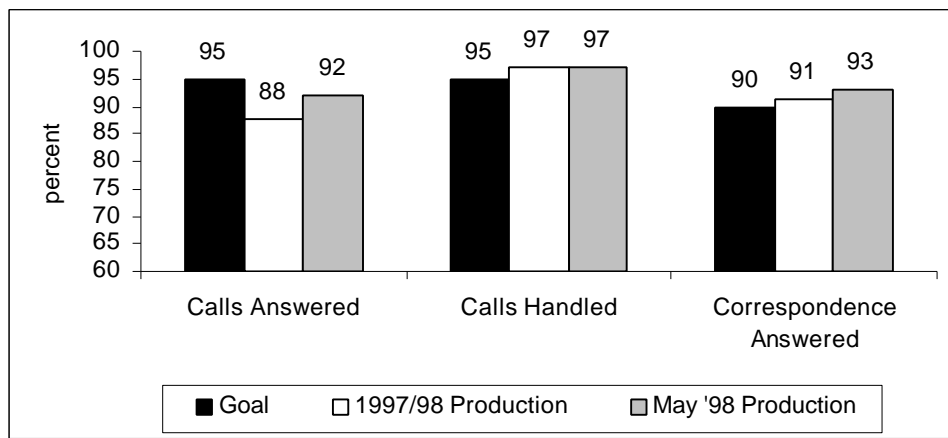
¹ The CQ Program monitors member's earnings, benefits received from other public agencies, and their medical condition for continued eligibility to receive benefits.

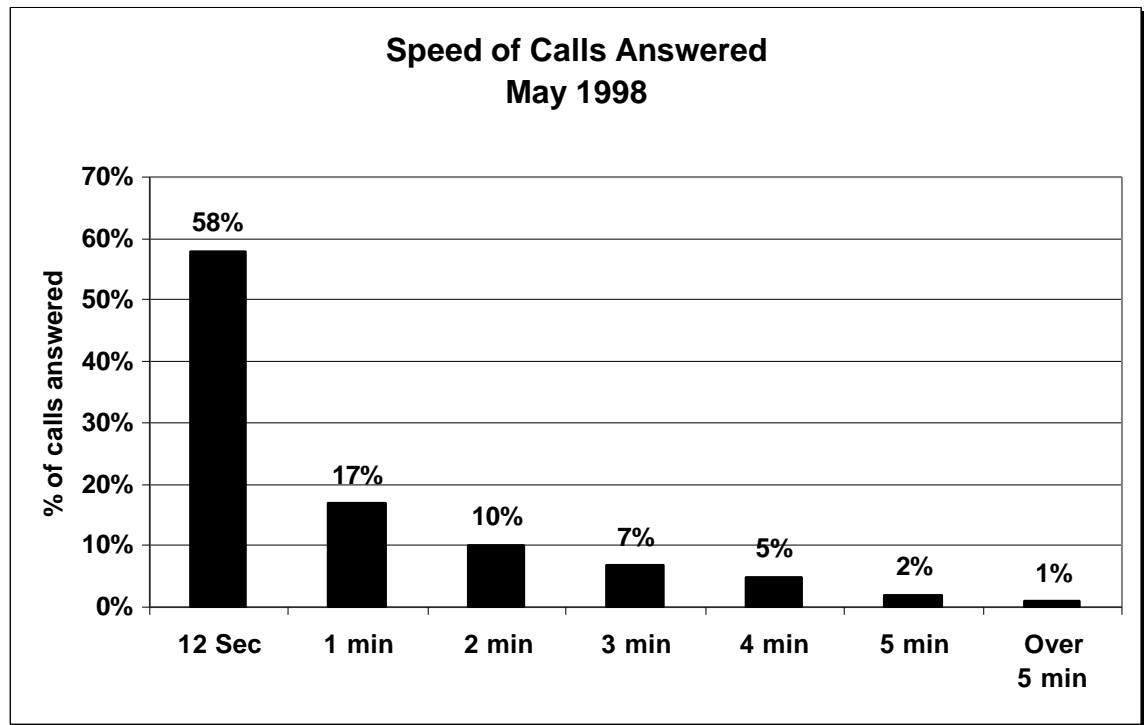
² The Rehabilitation Program provides members a variety of services to assess current capabilities and limitations with the goal of obtaining comparable level employment.

PUBLIC SERVICE

I. 1997-98 Production Objectives

- A. Answer 95 percent of all calls in less than three minutes.
- B. Handle 95 percent of all calls on the first contact.
- C. Respond to 90 percent of all correspondence in ten working days.





II. Measures

Type	(1) Bench- mark 90/91	(2) Jul-May 96/97	(3) Jul-May 97/98	% of Change (3) - (2) (2)	May 1998
Total Incoming Calls	195,858	270,775	276,814	2.23%	26,200
Technician Calls	117,913	151,375	167,991	10.98%	17,203
Automated Attendant Calls	31,895	75,779	72,980	-3.69%	6,659
Teletalk Calls	46,050	36,977	35,843	-3.07%	2,338

III. Major Initiatives

Total calls coming into the Public Service Office were up almost three percent compared to last fiscal year. This difference can be attributed to the increase in calls handled by the PSO technicians. Calls handled by the PSO technicians were up by 11 percent over the same time period.